Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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DA 09-2173

Released: October 6, 2009

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF LEXCOM, INC. TO WINDSTREAM CORPORATION

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-172

Comments Due: October 20, 2009

Reply Comments Due: October 27, 2009

On September 21, 2009, Lexcom, Inc. (Lexcom) and Windstream Corporation (Windstream) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ seeking approval to transfer control of Lexcom and its subsidiaries to Windstream.

Applicants do not seek streamlined treatment for this application pursuant to section 63.03 of the Commission's rules.² Lexcom, a North Carolina corporation, is a holding company that does not provide telecommunications service. Its wholly owned subsidiary, Lexcom Telephone Company (Lexcom Telco), is a rural incumbent local exchange carrier (LEC) serving nearly 23,000 access lines in the Lexington, Welcome, and Southmont exchanges in and around Davidson County in central North Carolina. Lexcom Telco's wholly owned subsidiary, Lexcom Long Distance LLC, is authorized to provide interstate and intrastate long distance and competitive access services throughout North Carolina. Applicants state that Lexcom does not provide competitive LEC services. Windstream, a publicly traded Delaware corporation with no 10 percent or greater interest holders, provides incumbent and competitive LEC services and long distance services primarily in rural areas in 16 states.³ In North Carolina, its wholly owned subsidiaries, Windstream North Carolina, Inc. and Windstream Concord Telephone, Inc., provide incumbent LEC services to approximately 277,014 access lines, and Windstream Communications, Inc. provides long distance services and competitive LEC service in various markets in the state. Applicants state that Windstream Communications, Inc. maintains 4 access lines for competitive LEC voice service

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on October 5, 2009.

² 47 C.F.R. § 63.03.

³ Applicants state that Windstream provides local and long distance service to approximately 3 million residential and business access lines and data services to more than one million customers in the following states: Alabama, Arkansas, Florida, Georgia, Kentucky, Mississippi, Missouri, Nebraska, North Carolina, New York, New Mexico, Ohio, Oklahoma, Pennsylvania, South Carolina, and Texas.

in the Lexington, North Carolina exchange in which Lexcom Telco provides incumbent LEC service. They further state that Windstream's Denton, North Carolina incumbent LEC exchange is adjacent to Lexcom Telco's Lexington and Southmont exchanges.

Pursuant to the terms of the proposed transaction, Windstream will acquire all of the shares of Lexcom, and Lexcom will continue as a surviving corporation and wholly owned subsidiary of Windstream.

Applicants state that a grant of this application will serve the public interest, convenience, and necessity because the combined companies will have improved efficiencies that will allow them to invest in and expand advanced telecommunications services for their rural customers. They further assert that the transaction will be seamless to subscribers and will not result in competitive harm in any market because the overlaps between the companies impact a de minimis number of subscribers, and the companies faces competition from alternative providers in those areas.

GENERAL INFORMATION

The transfer of control and assets identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before October 20, 2009** and reply comments **on or before October 27, 2009**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal e-Rulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East

Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

In addition, one copy of each pleading must be sent to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- 2) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 3) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 4) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.